

MISSOURI DEPARTMENT OF NATURAL RESOURCES

In the Matter of:

Renewable Environmental Solutions, LLC)
530 North Main Street)
Carthage, Missouri 64836)
)
Proceeding Under the Missouri)
Air Conservation Law)
Section 643.080 and 643.090, RSMo)

CEASE AND DESIST ORDER and SUSPENSION OF PERMIT ORDER

TO: Registered Agent for Renewable Environmental Solutions, Inc.
Corporation Service Company
221 Bolivar Street
Jefferson City, MO 65101
(Via Certified Mail, Return Receipt Requested)

TO: Don Sanders, Plant Manager
Renewable Environmental Solutions, LLC
530 North Main
Carthage, MO 64836
(Via Hand Delivery)

Pursuant to Section 643.090.2 and 643.080.4, RSMo, of Missouri's Air Conservation Law you are hereby notified that on this date the Missouri Department of Natural Resources (MDNR) director is issuing this Cease and Desist Order and Suspension of Permit Order. Such Cease and Desist Orders are issued when the MDNR director determines that any person is discharging or causing to be discharged into the ambient air, any air contaminant that constitutes a clear and present danger to the public health or public welfare or the environment. Furthermore, you are hereby notified that on this date, the MDNR director is suspending Permit 082002-001, issued to RES on July 2, 2002. The director of the MDNR has the authority to order abatement, suspend or revoke a permit, as the director deems appropriate, if the director finds that conference, conciliation and persuasion has failed to correct or remedy any violation.

Failure to comply with the Missouri Air Conservation Law and this Order may result in the initiation of a civil action in any court of competent jurisdiction for injunctive relief to prevent any further violations and may result in the assessment of a penalty not to exceed \$10,000 for each violation per day for each day, or part thereof, the violation continues to occur, as the court may deem proper.

SECTION I. FINDINGS OF FACT

1. Renewable Environmental Solutions, LLC (hereinafter, RES) operates a 200 ton per day thermo-depolymerization and chemical reforming process plant at 530 North Main Street in Carthage, Missouri.
2. As part of its operations, RES engages in numerous activities that discharge air contaminants, including odor. These activities include, but are not limited to, handling turkey processing residuals, processing these materials into fuel, and handling the by-products of thermo-depolymerization and chemical reforming.
3. On March 31, 2005, MDNR issued Notice of Excess Emissions for odor associated with an air pollution violation detected by MDNR personnel on March 29, 2005. RES failed to substantiate startup, shutdown, malfunction conditions pursuant to 10 CSR 10-6.050. Subsequently, MDNR upgraded the NOEE to Notice of Violation of Missouri State Rule 10 CSR 10-3.090, Restriction of Emissions of Odors.
4. On April 15, 2005, MDNR issued Notice of Excess Emissions for odor associated with an air pollution violation detected by MDNR personnel on April 6, 2005. RES failed to substantiate startup, shutdown, malfunction conditions pursuant to 10 CSR 10-6.050. Subsequently, MDNR upgraded the NOEE to Notice of Violation of Missouri State Rule 10 CSR 10-3.090, Restriction of Emissions of Odors.
5. On April 20, 2005, MDNR issued Notice of Excess Emissions for odor associated with an air pollution violation detected by MDNR personnel on April 18, 2005. RES failed to substantiate startup, shutdown, malfunction conditions pursuant to 10 CSR 10-6.050. Subsequently, MDNR upgraded the NOEE to Notice of Violation of Missouri State Rule 10 CSR 10-3.090, Restriction of Emissions of Odors.
6. On June 10, 2005, MDNR issued Notice of Excess Emissions for odor associated with an air pollution violation detected by MDNR personnel on June 8, 2005. RES failed to substantiate startup, shutdown, malfunction conditions pursuant to 10 CSR 10-6.050. Subsequently, MDNR upgraded the NOEE to Notice of Violation of Missouri State Rule 10 CSR 10-3.090, Restriction of Emissions of Odors.
7. On July 22, 2005, MDNR issued Notice of Excess Emissions for odor associated with an air pollution violation detected by MDNR personnel on July 15, 2005. RES failed to substantiate startup, shutdown, malfunction conditions pursuant to 10 CSR 10-6.050. Subsequently, MDNR upgraded the NOEE to Notice of Violation of Missouri State Rule 10 CSR 10-3.090, Restriction of Emissions of Odors.
8. On August 5, 2005, MDNR issued Notice of Excess Emissions for odor associated with an air pollution violation detected by MDNR personnel on July 27, 2005. RES failed to substantiate startup, shutdown, malfunction conditions pursuant to 10 CSR 10-6.050. Subsequently, MDNR upgraded the NOEE to Notice of Violation of Missouri State Rule 10 CSR 10-3.090, Restriction of Emissions of Odors.
9. During the course of and subsequent to these events, MDNR personnel have provided extensive technical assistance to RES in hopes of aiding them in their efforts to reduce odor from their operations. This assistance has been provided in several forms including meetings, site visits, technical evaluations, and written correspondence. MDNR has exhausted all avenues of conference, conciliation and persuasion in an effort to assist RES in resolving this issue.

10. MDNR continues to receive numerous odor complaints on a weekly basis, up to and including December 27th, despite RES's efforts to make modifications to the facility to reduce odor.
11. Experience leads MDNR to believe odor emissions and consequently community complaints will only escalate as warmer weather conditions return.
12. RES has never complied with special condition 5 in Permit 082002-001, which requires all solid and liquid raw materials awaiting processing to be stored under roof in a storage area. Raw materials handling is one area of plant operations the MDNR believes contributes to ambient odors from the facility.
13. Although RES submitted a corrective action plan to address violations of 10 CSR 10-3.090, pursuant to special condition 4.C. in permit 082002-001, odors continue to exist resulting in numerous complaints from Carthage area citizens.
14. The continuation of such odors has resulted and will continue to result in a clear and present danger to the public welfare in Carthage.

SECTION II. STATEMENT OF VIOLATIONS

RES has discharged air contaminants including odor and odorous compounds directly or indirectly into the ambient air, and such discharge constitutes a clear and present danger to the public welfare pursuant to Section 643.090.2, RSMo, of Missouri's Air Conservation Law.

RES has failed to comply with special condition 5 of permit 082002-001, issued pursuant to Missouri's Air Conservation Law, 643.075, RSMo, and Missouri State Rule, 10 CSR 10-6.060(5).

RES operations have caused the emission of air contaminants in violation of Sections 643.010 through 643.190, RSMo, and rules promulgated thereunder.

SECTION III. CORRECTIVE ACTIONS REQUIRED

THEREFORE, PURSUANT TO SECTION 643.090.2 and 643.080.4, RSMo, IT IS HEREBY ORDERED:

1. Pursuant to 643.090.2, RSMo, of Missouri's Air Conservation Law, RES shall immediately cease all activities described in Section I, paragraph 2, for sixty (60) days or until further order.
2. Pursuant to 643.080.4, RSMo, of Missouri's Air Conservation Law, RES must cease all activities conducted under Permit #082002-001 that result in discharges of air contaminants, as Permit #082002-001 is hereby suspended for sixty (60) days or until further order.
3. RES shall take any and all steps necessary to ensure activities undertaken to comply with this order are completed in a safe manner. This includes, but is not limited to, ensuring all ancillary activities do not cause discharge of contaminants or pollutants into the environment in violation of state or federal environmental laws, including ensuring proper disposition of feedstock materials.
4. Prior to reinstatement of permit #082002-001 by MDNR, and prior to RES resuming operation of the facility, RES shall take any and all steps necessary to ensure the odors from

operating their facility will not result in the emission of odors at a level such as to cause a clear and present danger to the public welfare. This includes, but is not limited to, soliciting technical assistance from recognized experts in the field of odor abatement.

5. RES shall submit a plan to MDNR within seven (7) days outlining measures taken or to be taken to comply with this order.

SECTION IV. AGENCY APPROVALS/SUBMITTALS

The MDNR may approve, disapprove, require revisions or modify any plan or submission required under this Order. If MDNR requires revisions, RES shall submit a revised version of the submission within seven (7) days of receipt of MDNR's notification of the required revisions.

The MDNR may, at its sole discretion, unilaterally modify a submission upon MDNR's first review or after RES has revised and resubmitted a document. Once approved, modified by MDNR, or approved with modifications, RES shall commence work and implement any approved plan in accordance with the schedule and provisions contained therein. Any MDNR-approved plan, specification, or schedule, shall, upon approval, be incorporated into and shall become enforceable under, this Order. Prior to this written approval, no plan, specification or schedule shall be construed as approved and final. Oral advice, suggestions, or comments given by MDNR representatives will not constitute an official approval, nor shall any oral approval or oral assurance of approval be considered binding.

SECTION V. MODIFICATIONS

Minor modifications to any plan or schedule may be made in writing by MDNR's designee. The remainder of the Order, or any portion of the Order, may only be modified in writing by the MDNR Director.

SECTION VI. ADDITIONAL WORK

If MDNR determines that additional work actions not included in an approved plan are necessary to fulfill RES's obligations under this Order, MDNR will notify RES of that determination. RES shall confirm its willingness to perform the additional work in writing to MDNR within fourteen (14) days of receipt of the MDNR request. If MDNR determines that additional work not included in an approved plan are necessary to address an emergency condition, RES shall confirm its willingness to perform the additional work in writing to MDNR within seven (7) days of receipt of the MDNR request. RES shall implement the additional tasks that MDNR determines are necessary. Within seven (7) days of receipt of notice from MDNR that additional work is necessary to comply with the terms of this Order, RES shall submit for approval by MDNR a work plan for the additional work. Upon MDNR's approval of the work plan or MDNR's modification or development of the work plan pursuant to Section IV (Agency Approval/Submittal) of this Order, RES shall implement the plan for additional work in accordance with the provisions and schedules contained therein.

SECTION VII. CORRESPONDENCE AND DOCUMENTATION

Correspondence or documentation with regard to conditions outlined in this Abatement Order shall be directed to:

Mr. Kurt Schaefer
Deputy Director and General Counsel
Missouri Department of Natural Resources
P.O. Box 176
Jefferson City, MO 65102-0176

SECTION VIII. SIGNATURE AUTHORITY

MISSOURI DEPARTMENT OF NATURAL RESOURCES

Original signed by Doyle Childers

Doyle Childers
Director

Dated this 29th day of December, 2005

DC:ltm

c: Kurt Schaefer, Deputy Director and General Council, MDNR
Joseph Bindbeutel, Chief Counsel, Office of the Attorney General
Kara Valentine, Division Counsel, Division of Environmental Quality